Vote No. 117

June 7, 2000, 12:18 a.m. Page S-4631 Temp. Record

DEFENSE AUTHORIZATION/Military Health Care for Military Retirees over 64

SUBJECT: National Defense Authorization Act for fiscal year 2001 . . . S. 2549. Warner modified amendment No. 3173.

ACTION: AMENDMENT AGREED TO, 96-1

SYNOPSIS: As reported, S. 2549, the National Defense Authorization Act for fiscal year 2001, will authorize a total of \$309.8 billion, which is \$4.5 billion more than requested by the Clinton Administration and which represents a 4.4-percent real increase in defense spending. This increase will follow last year's real increase in defense spending, which reversed 14 consecutive years of decline. Highlights include a 3.7-percent pay raise for military personnel.

The Warner modified amendment would repeal the restriction, enacted in 1964, on military retirees being eligible for military health care benefits under CHAMPUS or TRICARE after they reach age 65 and are eligible for Medicare. (Generally, military retirees are service members with 20 years or more of service.) The effective date would be October 1, 2001. Medicare would pay for health services received from military health care providers for services covered by Medicare, and military health insurance would pay for those services it covers that are not covered by Medicare. As originally drafted, the amendment would have provided benefits permanently, at a 10-year cost of approximately \$40 billion. That cost made a point of order, which would have required a three-fifths majority vote to waive, apply against the amendment. Democratic Senators indicated that they would raise that point of order. In order to avoid that point of order from being raised, the amendment was modified to sunset the benefit in 2 years. Supporters of the amendment indicated that they would continue to support making the change permanent.

NOTE: A Johnson amendment that would increase spending by more than \$90 billion over 10 years to increase health care insurance options for veterans was pending at the time of the vote (see vote No. 118).

Those favoring the amendment contended:

Beginning in World War II, promises were made to military members that they and their families would be provided permanent

(See other side) **YEAS (96)** NOT VOTING (3) NAYS (1) Republicans **Democrats** Republicans Democrats Republicans Democrats (53 or 100%) (43 or 98%) (0 or 0%) (1 or 2%) **(2)** (1) Crapo⁻² Harkin⁻² Abraham Hutchison Akaka Kennedy Kerrey Domenici-2 Allard Inhofe Baucus Kerry Ashcroft Jeffords Bayh Kohĺ Bennett Biden Landrieu Kvl Bond Lott Bingaman Lautenberg Brownback Lugar Boxer Leahy Bunning Mack Breaux Levin Burns McCain Bryan Lieberman McConnell Campbell Byrd Lincoln Chafee Murkowski Cleland Mikulski Cochran Nickles Conrad Moynihan Collins Roberts Daschle Murray Coverdell Roth Dodd Reed Santorum Dorgan Craig DeWine Reid Robb Sessions Durbin Rockefeller Enzi Shelby Edwards Smith, Bob Fitzgerald Feingold Sarbanes **EXPLANATION OF ABSENCE:** Frist Smith, Gordon Feinstein Schumer 1-Official Business Gorton Snowe Graham Torricelli 2-Necessarily Absent Wellstone Gramm Specter Hollings 3—Illness Grams Stevens Inouye Wyden Grassley Thomas 4—Other Johnson Gregg Thompson Hagel Thurmond SYMBOLS: Hatch Voinovich AY—Announced Yea Helms Warner AN-Announced Nay Hutchinson PY-Paired Yea PN-Paired Nay

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health care benefits if they served full careers in the Armed Services. A statutory entitlement was not enacted, but a moral commitment was made. In 1964 the Federal Government broke that commitment for military retirees. It rescinded their eligibility for military health care benefits as soon as they reached age 65 and were eligible for Medicare benefits. This treatment is unjust. Medicare benefits are not as extensive, and switching from military health insurance to Medicare requires a significant change in the manner in which health care is received. It does so at a point in the lives of our older military retirees when stability, reassurance, and respect are most needed. The Warner amendment would end this unjust treatment.

This amendment is unquestionably expensive. Eliminating this discrimination against older military retirees, of whom there are 1.8 million, will cost \$40 billion over 10 years. We are more than ready to accept that cost for several reasons. First and foremost, our military retirees deserve to be treated fairly. They were promised that they would be given permanent health benefits as an inducement to serve full careers in the military; the Federal Government has no right to break that promise. Second, we can afford to pay for the benefit now. Tight fiscal policies and spending restraint by Republicans, sound monetary policy from the Federal Reserve, business restructuring, open trade policies, and several other factors have combined to give us a robust economy that is generating large budget surpluses. We can give our military retirees their due and still pay down the debt and give tax relief. Third, one of the many problems our military is now having is that it cannot get enough qualified recruits. Our most cost effective recruiters have always been retirees—their advice to their children and to other young people in their communities has led to countless enlistments. Many of our military retirees can no longer bring themselves to encourage military careers due to their betrayal on health care. If we fix this health care problem, we should be able to fix at least part of our recruitment problem, because retirees will again become active, free recruiters for the Armed Services.

Unfortunately, due to scorekeeping reasons, we had to modify the amendment to make it stay in effect for just 2 years. If we had not made that change, some Senators indicated that they would have raised a point of order against the amendment, and we fear that for partisan reasons we would not then have been able to get the requisite three-fifths majority vote to waive that point of order. Still, even though this amendment officially will be in effect for just 2 years, all Senators are aware that once it is enacted the pressure to continue extending it until it is made permanent will be irresistible. For all practical purposes, a vote for the Warner amendment is a vote to repeal the 1964 law. We strongly urge our colleagues to support this amendment.

While favoring the amendment, some Senators expressed the following reservations:

We greatly appreciate our colleagues' intention in offering this amendment. The sponsor of this amendment has been key in building bipartisan support in the Senate for improving military health care benefits. However, though we support this amendment, it does not go far enough. We have enormous surpluses--we can and should do more. The Johnson amendment, on which we will vote next, will do more. We urge our colleagues to support both amendments.

No arguments were expressed in opposition to the amendment.